NORTHGATE MALL DEVELOPMENT AGREEMENT

1. LEGAL AUTHORITY

This development agreement ("Agreement") is made pursuant to the authority of RCW 36.70B.170 *et seq*. and in order to be binding on the parties requires approval by the Seattle City Council.

2. PARTIES

The parties to this Agreement are Simon Property Group, L.P. ("Simon") and the City of Seattle ("City").

3. PURPOSE OF THE AGREEMENT

The Seattle Comprehensive Plan and the Northgate Area Comprehensive Plan designate the core area of the Northgate neighborhood as an Urban Center. Urban Centers are intended to accommodate the highest densities and growth rates for jobs and housing within the City of Seattle. The existing Northgate Mall is the core of the Urban Center.

Despite the Urban Center designation, the Northgate Urban Center has failed to realize the City's planning goals for that area. New development and redevelopment have been significantly less than required to meet Northgate Urban Center employment and housing targets. In particular, proposals to revitalize the area through expansion and redevelopment of the Northgate Mall have been thwarted or significantly delayed by appeals and litigation.

To help prevent continuing economic stagnation of the area, the City finds it must encourage and facilitate development and redevelopment within the Northgate core. One way to do this is to provide enhanced predictability to developers regarding the application of City development regulations. This interest coincides with authority granted to municipalities by the Washington Legislature to enter into development agreements. Development agreements authorized by RCW 36.70B provide authority to the City to enter into voluntary contractual agreements between the private

property owners and the City, grant vested rights to proposed development, and to otherwise regulate proposed development to achieve City objectives.

The purpose of this Agreement is to encourage the redevelopment of the Northgate Mall in order to serve as a catalyst for the rejuvenation of the Northgate neighborhood, thereby helping to achieve the goals of the Seattle Comprehensive Plan, and to establish agreements with Simon regarding specific projects.

4. RELATIONSHIP TO SIMON'S APPROVED GENERAL DEVELOPMENT PLAN

On December 2, 1999 the City approved a General Development Plan (GDPII) submitted by Simon. The City's approval was affirmed on appeal to the Washington State Court of Appeals on August 12, 2002. Pursuant to that approval and court decision, Simon has a vested right to develop under the terms of the approved GDP.

In the event that Simon elects to undertake any of the proposed development described in Section 6 of this Agreement, then the vested rights conferred by this Agreement shall supercede all vested rights obtained pursuant to approval of the GDP.

5. RELATIONSHIP TO DEVELOPMENT OTHERWISE PERMITTED

Exhibit 1 illustrates the parcels and development areas covered in this Agreement. Simon is the owner of property known as the Northgate Mall, which located on the North Lot. The North Lot is comprised of the West Sector, the Southeast Sector and the Northeast Sector.

Simon is also the owner of the South Lot Parcels A and B. The South Lot Parcel A consists of approximately 5.9 acres, and the South Lot Parcel B consists of approximately 2.7 acres. The North Lot and South Lot are separated by Northeast 103rd Street.

This Agreement governs proposed development within the West and Southeast Sectors of the North Lot and Parcels A and B of the South Lot. Within those areas, proposed development must comply with this Agreement. Proposed development within the Northeast Sector is not

subject to this Agreement, except for any proposed parking garage. If Simon proposes to locate a parking garage within the Northeast Sector, then the proposed garage shall comply with this Agreement.

6. PROPOSED DEVELOPMENT

The proposed development that is the subject of this Agreement is the development described in Subsections 6.1, 6.2, and 6.3 of this Agreement.

6.1. Northgate Mall Expansions and New Buildings

The proposed development that is the subject of this Subsection on the North Lot, consists of the construction of the following building expansions, new buildings, and improvements, and the demolition of existing structures (approximately 100,000 square feet will be demolished¹) that are necessary for the construction of the building expansions, new buildings and improvements:

Amount (square footage): The total proposed amount of new development is 144,000 square feet which Simon anticipates developing as set forth below. This amount does not include the square footage associated with the development in Subsections 6.2 and 6.3. The square footage of any individual building expansion, new building, or improvement identified below may be increased, provided that the total square footage for all the new buildings and expansions may not exceed 165,600 (which is 15% greater than 144,000 and is herein referred to as the Mall Building Cap). In the event Simon elects to construct less than the allowable maximum square foot for each building or expansion, resulting in unutilized but permissible building area (the Unused Square Footage), Simon shall have the right to allocate and use for development such Unused Square Footage among one or more of the other Northgate Mall Expansions and/or New Buildings, provided that the total square footage for all buildings and/or expansions does not exceed the Mall Building Cap.

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¹ This parenthetical phrase is provided for information, only.

Expansion 1: 40,000 –

Expansion of existing Nordstrom building²

New Building 2: 30,000

New Building 3: 11,000

New Building 4: 10,000

New Building 5: 9,000

New Building 6: 11,000

New Building 7: 18,000

New Building 8: 5,000

New Building 9: 10,000

Total square footage (expansions and new buildings) = $144,000^3$

<u>Use</u>: The proposed development is restricted to uses that are allowed by the provisions of the Northgate Overlay District, SMC 23.71.

<u>Location</u>: The proposed development shall be located at the locations shown on Exhibit 1, which is hereby incorporated into this Agreement. Expansion 1 and New Buildings 2 - 8 are located within the West Sector. New Building 9 is located within the Southeast Sector.

<u>Change of Location:</u> The location of any proposed expansion, new building, or improvement within the West Sector may be changed without amendment of this Agreement provided that the new location of the proposed expansion, new building or improvement is within the area designated as the West Section as shown on Exhibit 1. New Building #9 may be located anywhere within the area designated as the Southeast Sector as shown on Exhibit 1.

Northgate Mall Development Agreement: March 13, 2003

² This description is for informational purposes only. Expansion 1 may be developed as proposed regardless of ownership.

³ The square footage number does not include sidewalks, outdoor public open spaces or other ancillary site amenities.

6.2 Northgate Mall Parking Garage

A parking garage consisting of up to 800 stalls may be constructed on the North Lot.

If the total square footage of the Northgate Mall expansions and New Buildings as described in 6.1 is increased by any amount up to 15% as allowed in Section 6.1 above, the total number of stalls of the parking garage may be increased by any amount up to the same percentage.

6.3 South Lot Parcel A

6.3.1 Permitted uses

The South Lot Parcel A may be developed for any use allowed in a Neighborhood Commercial 3 zone as prescribed by SMC 23.47.004, provided that:

- 1. Residential uses are included as prescribed in paragraph 4 of this Subsection.
 - 2. The following uses are prohibited:
 - A. Drive-in business;
 - B. Dry storage of boats;
 - C. General manufacturing;
 - D. Heavy commercial services;
 - E. Sales and rental of large boats;
 - F. Vessel repair (major or minor);
 - G. Mini-warehouse or warehouse;
 - H. Principal use, nonresidential long term parking;

- I. Outdoor Storage;
- J. Sale of heating fuel;
- K. Sale and rental of motorized vehicles, except within an enclosed structure;
- L. Sales, service, and rental of commercial equipment and construction materials:
- M. Salvage and recycling;
- N. Towing services;
- O. Vehicle repair (major or minor); and
- P. Wholesale showroom.
- 3. The proposed nonresidential uses must be of types and densities that are supportive of transit oriented development. Examples of such uses include but are not limited to: childcare centers, schools, cultural facilities, hotels, offices, theatres, grocery stores, structured parking, other neighborhood and/or commuter-serving retail or service uses.
- 4. If Parcel A is proposed to be developed in one phase, then the proposed development shall include no fewer than 150 dwelling units. Parcel A may be developed in two or three phases. If developed in two phases, then each phase must include a minimum of 75 dwelling units. If developed in three phases, then each phase must include no fewer than 50 dwelling units. The land owner must describe proposed phasing at the time of the first Master Use Permit application. More than 150 dwelling units may be developed on Parcel A, but are not required.

6.3.2 Coordinated planning

As shown on Exhibit 1, King County intends to develop approximately 8.5 acres of transit oriented development west of Parcel A, and the City intends to develop a stormwater facility on Parcel B east of Parcel A. There are opportunities for Simon, King County and the City to cooperate and coordinate transportation planning and mitigation, stormwater

management, and site planning and design for development on the South Lot. Simon will work with the County and City to coordinate planning and site design regarding those issues.

6.4 Subsequent City permits

Approval of the development described in Subsections 6.1, 6.2, and 6.3 is subject to the compliance with all applicable City requirements including, but not limited to, Master Use Permits (MUP), SMC 23.76 and the Washington State Environmental Policy Act Requirements (SEPA), SMC 25.05. Therefore, compliance with these regulatory processes may result in the imposition of development requirements in addition to the requirements contained in this Agreement. As provided by RCW 36.70B.180, permits for the proposed development must be consistent with this Agreement.

7. THE CITY'S DUTIES

7.1 Stormwater Detention and Treatment

7.1.1 Existing Law

Under existing law, redevelopment of the Northgate Mall, including the proposed development defined in Section 6 herein, may be subject to the requirements of the City's Stormwater, Drainage and Erosion Control Ordinance, SMC 22.802. Among other things, the Ordinance requires that certain developments provide for the detention and treatment of stormwater.

7.1.2 <u>The City Will Allocate Detention and Treatment Capacity To Simon.</u>

The City intends to build a stormwater detention and treatment facility ("City facility") on a portion of the South Lot, to help control stormwater in the vicinity of the Northgate Mall. If such a facility is constructed and the City has deemed it operational, Simon may use the facility to detain and treat stormwater subject to the terms stated in this Section 7.1. In the event that Simon uses the City facility according to such terms, the City will provide Simon with detention and treatment capacity at the City facility to

meet the SMC 22.802 detention and treatment requirements triggered by the drainage water from the impervious surface of the development outlined in Sections 6.1 and 6.2 plus any requirements associated with Mall side sidewalks, outdoor public open spaces, or other ancillary site amenities. In lieu of meeting all or a portion of those requirements, Simon may convey stormwater from other locations on the North Lot to the City's proposed facility if the City determines that such an approach is feasible and lawful. The terms "drainage water" and "impervious surface" are as defined at SMC 22.801.

7.1.3 <u>Financial Arrangement for Capacity Allowed</u>

If Simon uses the detention and treatment capacity provided to it as described in Section 7.1.2, the City will not charge Simon for any portion of the capital costs (including the cost of conveyance off site from a point on Simon's property line that the City designates) of the City facility with respect to that capacity. However, Simon may be charged for annual maintenance and operation costs for its proportionate use of the facility according to applicable City charges or rates. In no case will Simon's proportionate share of annual maintenance and operation costs exceed \$15,000 (2002 dollars).

7.1.4 <u>Financial Arrangement and Regulatory Approach for Any</u> Additional or Other Capacity Provided

In the event that Simon wishes to convey to the City facility more or other drainage water than the drainage water from the impervious surface of the development proposed in Sections 6.1 and 6.2 above, and the City decides to provide the additional capacity to Simon, then Simon shall be required to pay a cost that represents a portion of the capital costs of the facility, which may include conveyance and connection costs, commensurate with the additional capacity provided, in addition to any applicable charge for maintenance and operation.

7.1.5 Duration of City Commitment

In the event Simon has not used all of the capacity allocated to it in Section 7.1.2 by the end of the tenth year from the date the City deems the facility operational (or by the end of the fifteenth year if the duration of vested rights granted under this Agreement have been extended five years in

accordance with Section 10), then Simon forfeits the right to use the remaining capacity originally allocated to it.

7.1.6 <u>Conditions Concerning Termination of Drainage Capacity</u> <u>Obligation</u>

If the City in its sole discretion decides not to build the City facility or decides not to provide the capacity to Simon described in Section 7.1.2 above, the City shall pay Simon \$375,000 instead of providing such capacity. The City, at any time prior to the time it deems that the City facility is operational, may exercise the right to terminate its obligation to provide drainage capacity by providing written notice to Simon and shall then make the required payment to Simon within ninety (90) days thereafter. If Simon deems the City is not making adequate progress in developing the City facility, Simon may require that the City pay \$375,000 instead of providing the capacity described in Section 7.1.2 above, by providing a written request to the City no sooner than December 31, 2003, and the City shall then deliver such payment to Simon within ninety (90) days following its actual receipt of Simon's written request. If either party exercises its termination option under this Subsection, the City shall thereafter have no further obligations under this Section 7.1, and Simon shall be responsible for meeting all detention and treatment requirements for its developments.

8. SIMON'S DUTIES

Simon agrees as follows:

8.1. Conveyance of the South Lot Parcel B

By April 15, 2003, Simon will execute a purchase and sale Agreement, substantially in the form of Exhibit 2, for conveyance of the South Lot Parcel B to the City. The purchase and sale agreement shall be submitted to Pacific Northwest Title Company of Washington, Inc., at the time of execution. Closing and title transfer will occur 30 days after the condition precedent in Section 13 has been satisfied and after recording of any plat or short plat that may be necessary.

The City hereby commits to Simon that it will dedicate, within the Northgate Overlay District in SMC 23.71.004, Parcel B or a comparable amount of square footage as open space, land for a stormwater detention facility or both. If prior to the expiration of the ten or fifteen year period vested rights provision of Section 10, whichever applies, the City elects to sell or transfer a portion of Parcel B (or its comparable square footage) and does not choose to maintain Parcel B or its equivalent as stated above, the City agrees to pay Simon the greater of \$35 per square foot or the proceeds realized from the sale or transfer of any acreage not maintained in the required usage 30 days after the closing date of any such sale or transfer.

In addition, the City agrees to prohibit the following uses from being developed on Parcel B:

- A. Drive-in business;
- B. Dry storage of boats;
- C. General manufacturing;
- D. Heavy commercial services;
- E. Sales and rental of large boats;
- F. Vessel repair (major or minor);
- G. Mini-warehouse or warehouse;
- H. Principal use, nonresidential long term parking;
- I. Outdoor Storage;
- J. Sale of heating fuel;
- K. Sale and rental of motorized vehicles, except within an enclosed structure;
- L. Sales, service, and rental of commercial equipment and construction materials:

- M. Salvage and recycling;
- N. Towing services;
- O. Vehicle repair (major or minor); and
- P. Wholesale showroom.

Furthermore, the City agrees that it will reconvey Parcel B to Simon within 120 days if, after five years from the effective date of this Agreement, no open space, stormwater detention or other allowable development has occurred on Parcel B.

8.2. Fifth Avenue Entrance

Simon shall design and construct, on Simon's property, a visually attractive entry to the Mall from 5th Avenue that emphasizes the pedestrian connections between the new library and community center and the Mall's 5th Avenue entrance. Simon's Fifth Avenue Entrance will be designed and constructed substantially as shown in the drawing included as Exhibit 4, Fifth Avenue Entrance Conceptual Illustration, which the parties acknowledge may be refined through joint planning with the City as described in Section 8.3, below. Design features of these improvements shall include a more defined entrance to Northgate Mall, landscaping improvements, street tree installation, well-lit, safe, raised edge pedestrian walkways demarcated from adjoining pavement that connect the street entry to the store entrances, pedestrian-scale lighting, and amenities, such as benches and artwork.

Simon will complete construction of the approved work by the date of the public opening of the library and/or community center, whichever occurs later. These facilities are projected to open in October 2005, but if completion is delayed, Simon remains obligated to complete construction by the dates of the public opening.

8.3. <u>Joint Planning by Simon and the City to Coordinate Site Planning of Fifth Avenue Streetscape Improvements and Fifth Avenue Entrance</u>

Simon and the City each agree to work jointly to coordinate site design work of the City's 5th Avenue Streetscape Improvements Project and Simon's 5th Avenue Entrance (Section 8.2) Completion of construction of these two projects is estimated to be October 2005. Simon's design consultants will also participate in the library and community center's planning and will provide comment regarding planning for the Fifth Avenue Streetscape Improvements Project. The City will ensure that timely opportunities for public comment are provided.

If the effective date of this Agreement occurs prior to May 15, 2003, Simon and the City, and their respective representatives and design staff, agree to work collaboratively to meet the schedule identified below which is intended to facilitate meeting the October 2005 project completion milestone.

If the effective date of this Agreement is May 15, 2003 or later, or the schedules for the City's library/community center and streetscape projects change, Simon and the City agree to make adjustments to this schedule as necessary to coordinate site planning and design for these projects.

- May 15, 2003: The City and Simon shall meet to discuss and seek an agreement in principle regarding the design concepts, elements and features to be included in their respective preliminary site designs. The results of this meeting of City departments, Simon, and their respective design consultants shall be documented.
- August 1, 2003: the City and Simon shall submit preliminary conceptual site designs for their mutual work elements for respective review and comment as to consistency and compatibility of the two projects.
- August 25, 2003, Simon and the City shall either concur in writing as specified herein with the other's preliminary site designs or identify in writing those specific design issues to be resolved to better coordinate their respective projects.
- September 30, 2003, the City and Simon shall meet with their design consultants and such representatives as may be necessary to mutually

identify and agree to reasonable alternatives to resolve any such issues identified by Simon and the City.

October 15, 2003 the City and Simon shall submit to each other final
conceptual site designs that comply with the September 30 agreements on
design alternatives. Simon and the City each agree to work
collaboratively and that neither party shall unreasonably withhold their
agreement.

8.4. Traffic Mitigation and Analysis

Subject to available resources, the City intends to prepare a coordinated traffic analysis for the Northgate area to update prior traffic analyses and determine appropriate potential mitigation measures and methods to apportion potential mitigation to particular development projects. Under a previous agreement and at no cost to the City, Simon has provided the City with the traffic model and related transportation information and analysis, prepared by Transpo for approval of Simon's GDP. If the City produces a coordinated transportation analysis for the Northgate area, Simon may use that updated analysis in connection with any proposal for development, to the extent such analysis is otherwise applicable for compliance with City development regulations and SEPA.

9. VESTING OF DEVELOPMENT STANDARDS

The City agrees as follows:

The proposed development described in Section 6 of this Agreement shall vest to the development standards in effect on the effective date of the ordinance approving this Agreement. The proposed development shall not be vested against the application of development standards that are imposed by virtue of state or federal pre-emption of the City's regulatory authority. As provided by RCW 36.70B.170 (4), the proposed development shall not vest against new development regulations to the extent the new regulations are required by a serious threat to public health and safety.

10. DURATION OF VESTED RIGHTS

The vested rights established by this Agreement as applied to any particular project merge into the permit approval for that project and shall terminate as provided for such permit by the Land Use Code, SMC 23.76.032.

In the event that an application for MUP approval for a particular project of the proposed development is not submitted to DCLU within ten (10) years of the date of this Agreement, then the vested rights established by this Agreement with respect to the particular project shall automatically terminate. However, if by the end of the tenth year, certificates of occupancy have been granted for two thirds of the total square footage as described in Subsection 6.1 and two thirds of the required housing units as described in Subsection 6.3, the term of vested rights granted under this Agreement shall be extended an additional five years.

11. RECORDING AND ASSIGNMENT

This Agreement shall be recorded with King County and is binding upon the parties and their successors, as provided by RCW 36.70B.190. Simon may sell or transfer all or a portion of the property subject to this Agreement, and the sale or transfer shall not affect the validity of this Agreement.

12. DEFINITIONS

"Development standards" means the substantive requirements of the City of Seattle's Land Use Code, SMC 23, including any design review guidelines, Regulations for Environmentally Critical Areas, SMC 25.09, including the City's critical areas map folio, substantive policies of the City's SEPA ordinance, SMC 25.05, and the Landmark Preservation ordinance, SMC 25.12, and the Stormwater, Drainage and Erosion Control ordinance, SMC 22.802. It also includes the Seattle Comprehensive Plan and the Northgate Area Comprehensive Plan. Development standards does not mean or include procedural provisions of the aforementioned ordinances, but does include procedural provisions, if any, of the aforementioned plans.

13. CONDITION PRECEDENT

A condition precedent to Simon's duty to perform under the terms of this Agreement is the adoption of various Land Use Code amendments by the City. In the event that the City Council does not adopt or the Mayor vetoes the amendments to the Land Use Code contained in Exhibit 4 to this Agreement, and the veto is sustained, Simon will not be required to perform the duties prescribed in this Agreement.

If the Council adopts and the Mayor approves amendments that are different from those contained in Exhibit 4, then Simon may agree at Simon's sole discretion to the amendments in writing, in which case this Agreement shall have full force and effect, or Simon may terminate this Agreement.

14. MUTUAL OBLIGATIONS TO PERFORM

The parties agree that Simon's obligations to perform its duties as outlined in Section 8 are conditioned on the City's satisfaction of the Condition Precedent as outlined in Section 13 and on the City's satisfactory performance of its duties as outlined in Section 7. The parties also agree that the City's obligation to perform its duties as outlined in Section 7 are conditioned on Simon's satisfactory performance of its duties as outlined in Section 8.

15. NOTICES

Official Notices to the City of Seattle shall be sent by certified mail to: Jackie Kirn, Senior Policy Advisor, 600 4th Avenue, Suite 300, Seattle, WA 98104. Telephone: 206-684-0269. A copy of all Notices shall also be sent to the Seattle City Attorney, 600 4th Avenue, Suite 1000, Seattle, WA 98104.

Official Notices to Simon shall be sent by certified mail to: Simon Property Group, 115 West Washington Street, Indianapolis, IN 46204 (Attention: Arthur W. Spellmeyer, III, Executive Vice President, Development). A copy of all Notices shall also be sent to Simon's General Counsel at the same address.

16. AMENDMENTS TO DEVELOPMENT AGREEMENT

Unless otherwise specified elsewhere in this Agreement this Agreement may be amended by written agreement between Simon and the City. Approval of amendments by the City shall be by ordinance.

17. INTEGRATION

This Agreement represents the entire agreement of the parties with respect to the subject matter hereof. There are no other agreements, oral or written, except as expressly set forth herein.

18. COUNTERPARTS

This Agreement may be executed in counterparts with each counterpart so executed deemed an original hereof.

Dated: 13 Marh 2003 GREG NICKELS Mayor of Seattle SIMON: SIMON PROPERTY GROUP, L.P., a Delaware limited partnership By: SIMON PROPERTY GROUP, INC., a Delaware corporation By: _____ Its: _____ Date:

Dated:

GREG NICKELS Mayor of Seattle

SIMON:

SIMON PROPERTY GROUP, L.P.,

a Delaware limited partnership

By: SIMON PROPERTY GROUP, INC.,

a Delaware corporation

By:

Its: David Simon

Date: Chief Executive Officer

LIST OF EXHIBITS

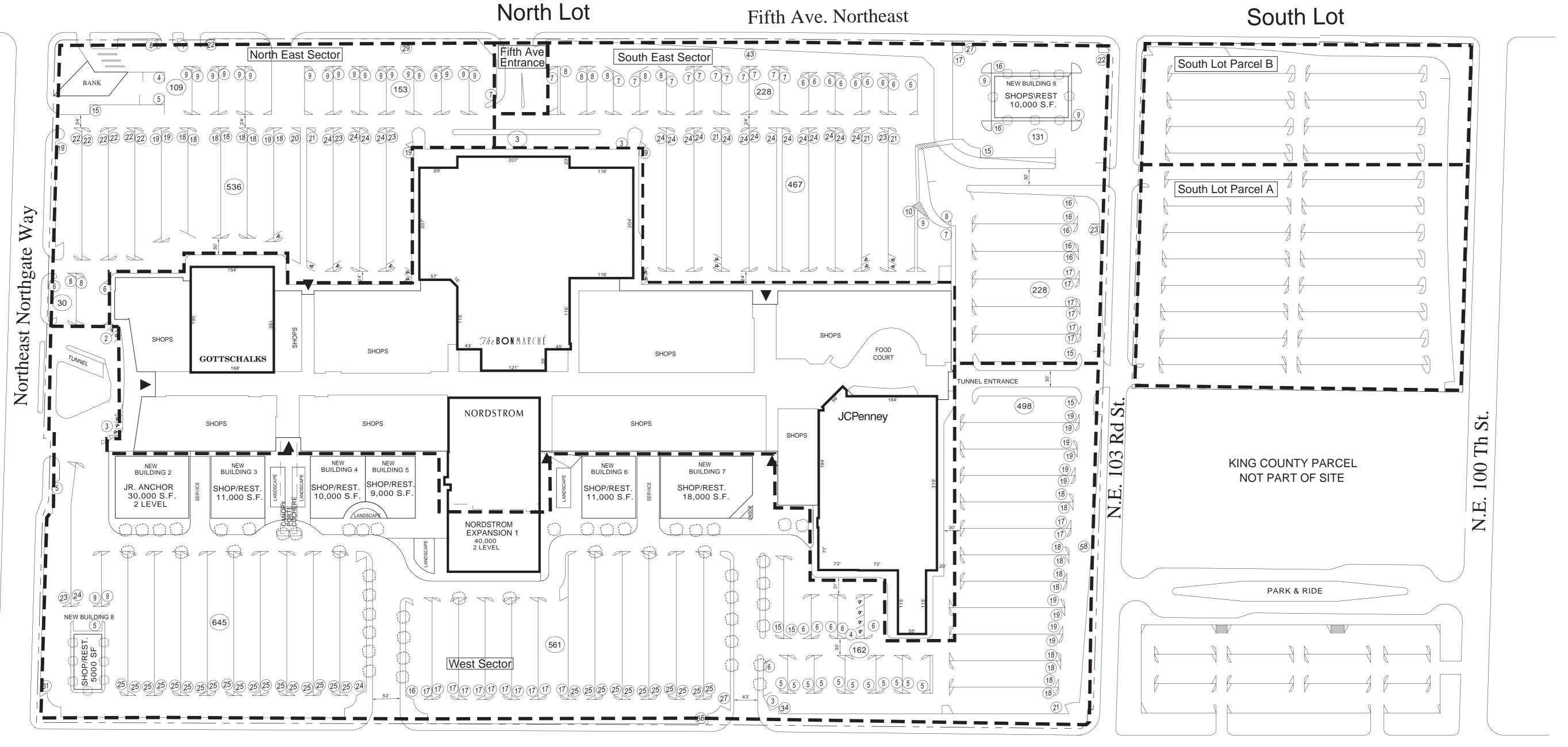
Exhibit 1: Development Agreement Site Plan

Exhibit 2: South Lot Parcel B Purchase and Sale Agreement

Exhibit 3: Land Use Code Amendments

Exhibit 4: 5th Avenue Entrance Conceptual Illustration

Exhibit 1: Development Agreement Site Plan



First Ave. Northeast



EXISTING PROJECT DATA

NORDSTROM JCPENNEY BON MARCHE' TOYS R US	122,187 173,251 308,799 41,200
GOTTSCHALKS TOTAL DEPARTMENT STORE GLA	76,318 ————————————————————————————————————

STORE GLA 721,755
TOTAL SMALL
SHOPS GLA 242,038
TOTAL EXISTING GLA 963,793

PROPOSED PROJECT DATA

1. NORDSTROM EXPANSION	40,000
JR ANCHOR NEW BLDG.	30,000
3. SHOP/REST NEW BLDG.	11,000
4. SHOP/REST NEW BLDG.	10,000
5. SHOP/REST NEW BLDG.	9,000
6. SHOP/REST NEW BLDG.	11,000
7. SHOP/REST NEW BLDG.	18,000
8. SHOP/REST NEW BLDG.	10,000
9. SHOP/REST NEW BLDG.	5,000

TOTAL PROPOSED GLA

TOTAL SITE GLA

144,000

1,107,793

NOTE: PROJECT DATA IS PROVIDED FOR INFORMATION ONLY.



NATIONAL CITY CENTER 115 W. WASHINGTON STREET INDIANAPOLIS, IN 46204 (317) 636-1600

PROJECT:

NORTHGATE SHOPPING CENTER

LOCATION:

SEATTLE, WASHINGTON

DEVELOPMENT AGREEMENT SITE PLAN

REVISION:

FIELD VISIT:	FIELD VISIT DATE:
WORK ORDER #: 18277	DRAWING FILE NAME: 9250\DP\23-1
DRAWN BY: GLAZE	DATE LAST MODIFIED: March 14, 2003
CHECKED BY:	SCALE:

CORP. # DRAWING: DP23-1

Exhibit 2: South Lot Parcel B Purchase and Sale Agreement

PURCHASE AND SALE AGREEMENT

between

Seller: Northgate Mall Partnership

and

Buyer: The City of Seattle

Buyer, **THE CITY OF SEATTLE**, a first class city of the State of Washington, and Seller, **NORTHGATE MALL PARTNERSHIP**, a Delaware general partnership, hereby enter into this Purchase and Sale Agreement ("**Agreement**") as of the Effective Date.

IN CONSIDERATION of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, Seller agrees to sell the Real Property to Buyer, and Buyer agrees to buy the Real Property from Seller, on the terms and conditions set forth in this Agreement. Accordingly, the parties agree as follows:

1. DEFINED TERMS

The terms listed below shall have the following meanings throughout this Agreement:

Seller: Northgate Mall Partnership

Seller's Address: c/o Simon Property Group

115 W. Washington Street Indianapolis, Indiana 46204 Fax No. (317) 263-7038

Buyer: The City of Seattle, a first class City of the State of Washington

Buyer's Address: Seattle Law Department

600 Fourth Avenue, 10th Floor Seattle, Washington 98104 Attn: Helaine Honig Fax No. (206) 684-8284

Title Company: Pacific Northwest Title Company of Washington, Inc.

Real Property: That certain land described in Exhibit A, believed to contain

approximately 2.7 acres, together with all rights and interests appurtenant thereto, including, without limitation, any water and mineral rights, development rights, air rights, easements and

rights-of-way.

Closing: Is as defined in Section 5 of this Agreement.

Closing Date: Shall be the date the Closing takes place, but in no event shall such

date be later than thirty (30) days after recording of any required

plat or short plat creating the parcel of Real Property to be conveyed.

Day: A calendar day; provided, that if the last day for taking any action

hereunder is a Saturday, Sunday or Washington State-designated holiday, the next succeeding day that is not a Saturday, Sunday or Washington State-designated holiday shall be the deadline for

taking such action.

Effective Date: The date upon which this Agreement has been fully executed by

Buyer and Seller, as evidenced by the last date appearing under

their respective signatures.

Environmental Law: Any federal, state or local law, ordinance or regulation pertaining

or relating to health, industrial hygiene, waste disposal, or the environment, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980

("CERCLA"), as amended, 42 U.S.C. § 9601 et seq.; the

Superfund Amendments and Reauthorization Act of 1986, Pub. L. 99-499 and 99-563; the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2601 *et seq.*; the Hazardous Materials Transportation Act, 49 App. U.S.C. § 1802; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 *et seq.*; the

Occupational Safety and Health Act of 1970 ("**OSHA**"), as amended, 29 U.S.C. § 651 *et seq.*; the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*; the Federal Water Pollution Control Act,

as amended, 33 U.S.C. § 1251 et seq.; the Safe Drinking Water Act of 1974, 42 U.S.C. § 201 et seq.; the Hazardous Waste

Management Act, RCW Ch. 70.105; the Model Toxics Control Act of the State of Washington ("MTCA"), RCW Ch. 70.105D; and any amendment to any such law or regulation adopted and

publications promulgated pursuant to all such laws.

Hazardous Material: Any hazardous, or toxic substance, material or waste, including,

but not limited to, those substances, materials and wastes listed in

the United States Department of Transportation Hazardous Materials Table (49 C.F.R. §172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. pt. 302 and amendments thereto) or in the Washington Hazardous Waste Management Act (Ch. 70.105D RCW) or the Model Toxics Control Act (Chs. 70.105D RCW 82.21 RCW), petroleum products and their derivatives, and such other

substances, materials and wastes as become regulated or subject to

clean-up authority under any Environmental Law.

2. EXHIBITS

The following exhibits are attached to and form a part of this Agreement:

3. CONDITION OF REAL PROPERTY

Buyer acknowledges that it has review	ed the Commitment for Title Insurance issued by
the Title Company under No.	(the " Title Report "). Title to the Real Property
shall be conveyed to Buyer subject only to	, and nondelinquent installments of
special assessments levied against the Real Pro	operty as shown in the Title Report (the
"Permitted Encumbrances"). All Exceptions	or Filings consisting of a financial encumbrance
such as a mortgage, deed of trust, or other deb	t security, or any attachment, delinquent real estate
tax, assessment for an improvement or mechan	nic's or materialmen's lien outstanding against the
Real Property (a "Financial Encumbrance"),	are hereby deemed a disapproved Exception or
Filing. Seller hereby covenants to remove or o	cause to be satisfied any Financial Encumbrance on
or before the Closing Date.	

4. CONVEYANCE OF TITLE

Seller shall convey the Real Property to Buyer by a limited warranty deed, the form of which is attached hereto as Exhibit B (the "**Deed**") conveying to Buyer title to the Real Property in fee simple, subject only to the Permitted Encumbrances, and any other exceptions that Buyer approves in writing (collectively hereinafter referred to as the "**Exceptions**"). A condition precedent to Buyer's completing the purchase of the Real Property shall be the willingness of the Title Company to issue, upon payment of the Title Company's regularly scheduled premium, an ALTA owner's extended coverage title insurance policy in the amount of the Purchase Price, showing title to the Real Property vested in Buyer in fee simple, subject only to the Exceptions and the preprinted exceptions commonly contained in an owner's extended policy.

5. CLOSING

A. Closing Requirements

On the Closing Date, all matters to be performed under this Agreement incident to the conveyance of the Real Property and the payment of the Purchase Price (collectively, the "Closing") shall be performed concurrently at the offices of the Title Company. All documents to be delivered at the Closing and all payments to be made shall be delivered in a timely manner, in escrow, so as to allow the recording of the Deed and other instruments as are required to be recorded to effect the transfer and conveyance of the Real Property and the delivery of all instruments and funds on or before the Closing Date. Each party shall deliver appropriate escrow instructions to the Title Company consistent with the provisions of this Agreement.

B. Buyer's Conditions to Closing

It is a condition to Buyer's obligation to proceed to Closing that, as of the Closing Date, (i) all of Seller's representations and warranties hereunder are true and correct; (ii) Seller has performed all of its covenants hereunder; (iii) the Real Property is delivered to Buyer at Closing free and clear of any occupants or rights to possession; (iv) the Title Company is prepared to

issue the Title Policy to the Buyer; (v) Seller has delivered all other documents and other deliveries required by this Agreement; (vi) Buyer has obtained an environmental assessment of the Real Property and has notified the Seller in writing that Buyer is satisfied that the subject property does not contain any Hazardous Materials or environmental conditions that would adversely affect or damage Buyer's intended use and/or enjoyment of said property. Buyer agrees to undertake such environmental assessment and determine its satisfaction with the condition of the Real Property with all reasonable diligence; (vii) a plat or short plat creating the parcel of Real Property has been recorded with the King County Recorder's office, if necessary; (viii) this Agreement has been authorized by the Seattle City Council pursuant to ordinance, which has been signed by the Mayor; and (ix) all other conditions to Buyer's obligations to proceed to Closing that are set forth in this Agreement have been satisfied.

C. Seller's Conditions to Closing

It is a condition to Seller's obligation to proceed to Closing that, as of the Closing Date, (i) all of Buyer's representations and warranties hereunder are true and correct; (ii) Buyer has performed all of its covenants hereunder; (iii) Buyer has delivered all documents and other deliveries required by this Agreement, and (iv) all other conditions to Seller's obligations to proceed to Closing that are set forth in this Agreement have been satisfied.

6. DELIVERIES

A. <u>Seller's Deliveries at Closing</u>

On or by the Closing Date, Seller shall deliver to the Title Company the following documents and materials, all of which shall be in form and substance reasonably acceptable to Buyer:

- (i) The duly executed and acknowledged Deed.
- (ii) Any instruments reasonably necessary to convey title in the condition required by this Agreement, each of which instrument shall be duly executed and, if necessary, acknowledged.
- (iii) A certificate duly executed by Seller acknowledging that as of the Closing Date, all representations and warranties by Seller set forth in this Agreement remain true and correct.
- (iv) A non-foreign certification, duly executed by Seller under penalty of perjury, certifying that Seller is not a "foreign person" as defined in or pursuant to Section 1445 (as may be amended) of the Internal Revenue Code of 1986, as amended ("Section 1445"). If Seller shall fail or be unable to deliver the same, then Buyer shall have the right to have such portion of the Purchase Price withheld by Title Company in escrow as may be necessary, in the reasonable opinion of the Title Company, to comply with Section 1445.
- (v) Such other documents as the Title Company may reasonably require to complete the Closing.

B. Buyer's Deliveries at Closing

- (i) On or by the Closing Date Buyer shall deliver to the Title Company any funds necessary to pay Buyer's share of closing costs and prorations, as hereinafter set forth with immediately available funds.
- (ii) A certificate duly executed by Buyer acknowledging that as of the Closing Date, all representations and warranties by Buyer set forth in this Agreement remain true and correct.
- (iii) Such other documents as the Title Company may reasonably require to complete the Closing.

7. CLOSING COSTS AND PRORATIONS

At the Closing, closing costs shall be paid and prorations made as follows:

A. <u>Closing Costs</u>

Buyer and Seller shall each pay their own attorneys' fees incurred in connection with negotiating and consummating the transactions contemplated herein. Seller shall pay for and provide a survey, and shall pay all costs relating to any necessary platting of the Real Property. Buyer shall obtain and pay all premiums, costs and fees of any nature whatsoever for an owner's policy of title insurance. Buyer shall pay the escrow fees charged by the closing agent, all transfer or assumption fees, recording fees and the excise tax.

B. <u>Prorations</u>

All prorations shall be made as of 12:01 a.m. on the Closing Date so that for purposes of prorations, Buyer shall be deemed in ownership of the Real Property throughout such day. Unless otherwise specified herein, all Taxes shall be prorated on an accrual basis. As used herein, "Taxes" include all real property taxes and similar charges of any kind. All delinquent Taxes (including penalties thereon) shall be paid at Closing out of Seller's funds. Any non-delinquent Taxes shall be prorated based on the current tax bill and Buyer shall pay the fraction thereof that represents the number of days remaining in the applicable fiscal year (including the Closing Date) divided by the number of days in such fiscal year; if such tax bill has not yet been received by Seller, the proration shall be based on one hundred percent (100%) of the previous year's tax bill, and such adjustment shall be final. All assessments levied against the Real Property for improvements that are payable in installments shall be prorated as to the current installment, and Buyer shall acquire the Real Property subject to the lien of future installments as they become due. Seller shall pay any delinquent assessment together with any penalties and interest thereon on or before the Closing Date.

8. SELLER'S REPRESENTATIONS AND WARRANTIES

Seller hereby makes the following representations and warranties to Buyer as of the Effective Date:

A. Due Authorization

Seller has full power to execute, deliver and carry out the terms and provisions of this Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement. The individual executing this Agreement on behalf of Seller has the authority to bind Seller to the terms and conditions of this Agreement.

B. Enforceability

This Agreement and all documents required hereby to be executed by Seller, when so executed, shall be legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting rights of creditors generally and, as to enforceability, the general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

9. BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller as of the Effective Date and as of the Closing Date:

A. <u>Due Authorization</u>

Buyer has full power to execute, deliver and carry out the terms and provisions of this Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement. The individual executing this Agreement on behalf of Buyer has the authority to bind Buyer to the terms and conditions of this Agreement.

B. Enforceability

This Agreement and all documents required hereby to be executed by Buyer, when so executed, shall be legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights of creditors generally and, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

C. Environmental Matters

Buyer acknowledges that it is purchasing the Real Property based on its own investigation and inquiry and has not received and is not relying on any representation or warranty of Seller as to the physical condition of the Real Property and is agreeing to accept and purchase the Real Property in such condition "as is, with all faults." Notwithstanding the forgoing, it shall be a condition precedent to Buyer's obligation to purchase the Real Property that said property does not contain any Hazardous Materials that would adversely affect Buyer's use and enjoyment of the Real Property. This Section shall not be construed as releasing Seller from any liability it would otherwise have under any applicable environmental laws and Buyer does not assume such liability.

10. ACTIONS AFTER THE EFFECTIVE DATE

The parties covenant to do the following from the Effective Date through the Closing Date.

A. Title

Seller shall not make or permit any change to the Property or to the condition of title to the Real Property without Buyer's prior written consent, which consent shall not be unreasonably withheld.

B. <u>Maintenance and Operation of Property</u>

Seller shall maintain and operate the Property in substantially its current condition. Seller shall not make any material alterations to or upon the Real Property without Buyer's prior written consent, which consent shall not be unreasonably withheld.

C. <u>Representations and Warranties</u>

Each party shall use its best efforts to prevent any act or omission that would render any of its representations and warranties herein untrue or misleading on or prior to the Closing Date, and shall immediately notify the other party in writing if any such act or omission occurs.

D. Removal of Personal Property

Seller shall retain ownership of and have the obligation to remove all readily moveable personal property, if any, from the Real Property by the Closing Date. Any personal property not removed by the Closing Date shall be deemed abandoned and Buyer may, at its option and at Seller's expense, dispose of all items that are required to be removed by Seller without liability to Seller. Seller shall ensure that any such removal does not create a hazard to members of the public exercising ordinary care for their own safety.

E. Insurance

Seller shall secure and maintain in full force and effect at no expense to Buyer and until Closing has occurred, fire and extended coverage, vandalism and malicious mischief, and special extended coverage insurance by one or more responsible insurance companies, providing coverage in amounts acceptable to Seller in its sole discretion.

11. DAMAGE TO PROPERTY/TAKINGS

If the Real Property or any substantial, material part thereof (i) is materially damaged by casualty, or (ii) is taken or is the subject of a notice of taking by eminent domain prior to the Closing Date, Seller shall promptly notify Buyer, whereupon Buyer may give Seller written notice that it elects to (a) terminate this Agreement, in which event the parties shall have no further obligations hereunder (except for Buyer's indemnification obligations); or (b) proceed to Closing, in which event Seller shall assign to Buyer all insurance proceeds attributable to the

Real Property arising from the casualty together with a credit against the Purchase Price equal to the deductible amount and/or coinsurance amount under the applicable insurance policy, or pay over and assign to Buyer all awards recovered or recoverable on account of such taking, as the case may be. If Buyer elects to proceed under this Section 11, Seller shall not compromise, settle, or adjust any claims to such proceeds, or awards without Buyer's prior written consent, which consent shall not be unreasonably withheld.

12. SURVIVAL OF TERMS

All representations, warranties and indemnification commitments by the respective parties contained herein are intended to and shall remain true and correct as of the Closing, shall be deemed to be material, and shall not be merged into the Deed, and shall survive the delivery of the Deed and transfer of title.

13. SUCCESSORS AND ASSIGNS

The terms, covenants and conditions herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Buyer may not assign Buyer's rights and obligations hereunder.

14. DEFAULTS & REMEDIES

If Seller wrongfully fails to convey the Real Property to Buyer, Buyer shall have all remedies available to it at law or in equity, including, without limitation, the right to seek specific performance.

15. ATTORNEYS' FEES

If there is any dispute between the parties regarding their rights and obligations under this Agreement (whether or not litigation is involved), each party shall be responsible for its own attorneys' fees and court costs.

16. NOTICES

All notices required or permitted to be given pursuant to the terms hereof shall be in writing and shall be delivered either by hand delivery; by nationally recognized private overnight delivery service; by deposit in the United States mail, registered or certified mail, postage prepaid; or by electronic facsimile transfer, but if delivered by electronic facsimile transfer, a hard copy of such notice shall also be delivered on or before the next Day by hand delivery or by such overnight delivery service. All notices shall be addressed to Seller at Seller's Address (or in the case of an electronic facsimile transfer, to Seller's facsimile copier number), and to Buyer at Buyer's Address (or in the case of an electronic facsimile transfer, to Buyer's facsimile copier number). The addresses (and electronic facsimile transfer numbers) set forth in Section 1 may be changed by written notice to the other party as provided herein. Notices shall be deemed to have been given upon the earlier of actual receipt, as evidenced by the deliverer's affidavit, the recipient's acknowledgment of receipt, or the overnight delivery service's receipt; and in the event of attempted delivery during normal business hours at the proper address by an agent of a party or by the overnight delivery service or the U.S. Postal Service but refused acceptance, shall

be deemed to have been given upon attempted delivery, as evidenced by an affidavit of inability to deliver stating the time, date, place and manner in which such delivery was attempted and the manner in which such delivery was refused.

17. CONSTRUCTION OF DOCUMENT

In construing this document, all headings and titles are for the convenience of the parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if prepared by one of the parties, but rather according to its fair meaning as a whole, as if both parties had prepared it. All exhibits attached hereto are incorporated in this Agreement by reference thereto.

18. TIME

Time is of the essence of every provision herein contained.

19. FORCE MAJEURE

If either party is unable to perform one or more of its obligations under this Agreement, except for an obligation to pay any funds due hereunder, or to enjoy any of its benefits because of natural disaster or actions or decrees of governmental bodies (hereinafter referred to as a "Force Majeure Event" or "Event"), the party who has been so affected immediately shall give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, the affected party shall be excused from such performance as is affected by the Force Majeure Event for the period of such Event. If the period of non-performance exceeds fifteen (15) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may terminate this Agreement by giving written notice. If such Event shall affect the Closing Date, the Closing Date shall automatically be extended for a period equal to the duration of such Event.

20. APPLICABLE LAW

The laws of the State of Washington shall govern this Agreement.

21. NO ORAL MODIFICATION OR WAIVER

This Agreement may not be changed or amended orally, but only by an agreement in writing. No waiver shall be effective hereunder unless given in writing, and waiver shall not be inferred from any conduct of either party.

22. BROKERAGE COMMISSION

Buyer and Seller warrant to each other that no broker or finder can properly claim a right to a commission or finder's fee based upon contacts between the claimant and the warranting party with respect to the other party or the Real Property. Seller and Buyer shall indemnify, defend and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys fees and court costs, resulting from any claim for a fee or

commission by any broker or finder in connection with the Real Property and this Agreement resulting from the indemnifying party's actions.

23. ENVIRONMENTAL MATTERS

Seller and Buyer make no agreement herein with respect to, and retain all of their respective rights and responsibilities under all applicable statutes and other law with respect to, the allocation of liability arising from or relating to Hazardous Materials on, in, under, or migrating, or having migrated, onto or off of the Real Property. Either party hereto that seeks an allocation of any such liability against the other party shall make a reasonable attempt to join in any lawsuit any past or present tenant(s) of Buyer and Seller known to the party bringing the lawsuit to be a potentially responsible party under applicable law in addition to bringing a lawsuit against the other party.

24. COUNTERPARTS

This Agreement may be executed in counterparts with each counterpart so executed deemed an original hereof.

25. ENTIRE AGREEMENT

CELLED.

This Agreement contains all of the covenants, conditions and agreements between the parties and shall supersede all prior correspondence, agreements and understandings, both verbal and written, between the parties or their respective representatives. The parties intend that this Agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence may be introduced in any proceeding involving this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has executed one or more copies of this Agreement by having its authorized representative affix his or her signature in the appropriate space below as of the date set forth under said signature.

DIMED.

SELLER:	BUYEK;
NORTHGATE MALL PARTNERSHIP By: SIMON PROPERTY GROUP, L.P, a Delaware limited partnership By: SIMON PROPERTY GROUP, INC., a Delaware corporation, General Partner	THE CITY OF SEATTLE
Printed Name:	Printed Name:
Date:	

EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B FORM OF LIMITED WARRANTY DEED

After Recording Return Document to: Helaine Honig Seattle Law Department 600 Fourth Ave., 10th Floor Seattle, WA 98104

Seattle, WA	98104
This cover pa	age is attached for recording purposes and is not a part of the instrument.
Document Ti	tle: LIMITED WARRANTY DEED
Reference nu	mber of related documents: NOT APPLICABLE
Grantor:	NORTHGATE MALL PARTNERSHIP
Grantee:	THE CITY OF SEATTLE
Legal Descri	ption:
1.	Abbreviated form:, in King County, Washington
2.	Complete legal description is on Exhibit A of document
Tax Parcel N	0

LIMITED WARRANTY DEED

NORTHGATE MALL PARTNERSHIP, a Delaware general partnership ("Grantor"), for and in consideration of Ten and 00/100 Dollars (\$10.00) to it paid by THE CITY OF SEATTLE, a municipal corporation ("Grantee"), the receipt of which is hereby acknowledged, does hereby grant and convey, with limited warranty covenants, to the Grantee, the premises described in Exhibit A attached hereto and made a part hereof ("Property").

Together with all of the privileges and appurtenances to the same belonging, to have and to hold the same to Grantee, its successors and assigns forever. Grantor, for itself and for its successors, hereby warrants with limited warranty covenants, with the Grantee, its successors and assigns forever, that it is lawfully seized of the Property in fee simple and that it will defend the same from and against the claims and demands of only Grantor and all persons claiming by, through, or under Grantor, but not against the claims of any others whomsoever, and that this conveyance of the Property is made subject to (a) all liens and encumbrances created or assumed by Grantee; (b) zoning ordinances; (c) legal highways; (d) covenants, restrictions, conditions and other matters currently of record; (e) real estate taxes and assessments not yet due and payable; and (f) all matters which may be disclosed by an accurate survey of the Property.

In Witness Whereof, Grant of, 2003, by its duly at	or has caused its name to be hereunto subscribed this day uthorized official.
Signed and acknowledged in the presence of:	NORTHGATE MALL PARTNERSHIP By: SIMON PROPERTY GROUP, L.P, a Delaware limited partnership By: SIMON PROPERTY GROUP, INC., a Delaware corporation, General Partner
(Witness Signature)	By:Printed Name:
(Print Name)	Its:
STATE OF INDIANA COUNTY OF))ss.)
On this day of	, 200_, before me personally appeared, to me known to be the RTHGATE MALL PARTNERSHIP, the Delaware general
	n and foregoing instrument, and acknowledged said

instrument to be the free and voluntary act and deed of said association, for the uses and purposes therein mentioned, and on oath stated that (s)he was authorized to execute said instrument on behalf of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

EXHIBIT A LEGAL DESCRIPTION

Exhibit 3: Land Use Code Amendments

SMC 23.71.014 Open space (amended as follows)

- A. Quantity of Open Space.
- 1. In all Commercial zones with a permitted height limit of forty (40) feet or less, a minimum of ten (10) percent of lot area or, at the applicants option, proposed gross floor area, shall be provided as landscaped or usable open space for all commercial and mixed use substantial development. A minimum of one-half 1/2) of the required open space shall be landscaped open space and a minimum of one-third 1/3) of the required open space shall be usable open space. The remainder shall be either landscaped or usable open space or may be provided in accordance with subsection A8 of this section.
- 2. In all Commercial zones with a permitted height limit greater than forty (40) feet, a minimum of fifteen (15) percent of lot area or, at the applicant's option, proposed gross floor area, shall be provided as landscaped or usable open space for all commercial and mixed use substantial development. A minimum of one-third (1/3) of the required open space shall be landscaped open space and a minimum of one-fifth(1/5) of the required open space shall be usable open space. The remainder shall be either landscaped or usable open space or may be provided in accordance with subsection A8 of this section.
- 3. Open space may be provided as interior or exterior open space according to the standards provided in subsections 23.71.014 B and C. Interior open space may be used to satisfy up to twenty (20) percent of the open space requirement.
- 4. Reductions to Required Open Space. Required open space may be reduced if any of the following open space alternatives are provided:
- a. Interior public meeting space or space accommodating a public library, either of which shall be free to the public and credited at two (2) times their actual area;
- b. An on-site town square, urban plaza, active park, or passive park which meets the minimum size requirements prescribed in Table 23.71.014 A and which is consistent with the standards for such features contained in subsection 23.71.014 C. Such space shall be credited towards the open space requirement at 1.5 times the actual lot area occupied by such space.
- 5. Above-ground open space in the form of a publicly accessible terrace

may satisfy up to thirty (30) percent of total required open space. Due to the more limited public access to such areas, such above-ground open space shall be credited at seventy-five (75) percent of actual area provided. Above-ground open space in combination with interior open space shall not exceed fifty (50) percent of the total area required for open space.

- 6. In no case shall required landscaped open space be reduced to less than five (5) percent of lot area. Required landscaping of surface parking areas may count towards the landscaped open space requirement to a maximum of five (5) percent of total lot area. Perimeter screening of a surface parking area may count towards the landscaped open space requirement in excess of five (5) percent.
- 7. When an owner proposes substantial development on lots forty thousand (40,000) square feet or less and adjacent to a major pedestrian street as designated in Section 23.71.008, the Director may reduce the total amount of required open space if the owner provides open space on the portion of the site abutting the major pedestrian street. The reduction does not apply to open space consisting of landscaping required for surface parking areas, screening, or to improvements provided within the street right-of-way.
- 8. Northgate Open Space Fund.
- a. In lieu of providing the remainder of open space, as defined in sub-sections A1 and A2 of this section, an owner may make a payment to the Northgate Area Open Space fund, if such a fund is established by the City Council. The payment and use thereof shall be consistent with RCW 82.02.020.
- b. An in-lieu of payment shall equal the assessed value of the land and improvements which would otherwise have been provided as open space.
- c. Funds received from properties within the Northgate Core sub-area as shown on Map A, shall be applied to open space acquisition or improvements in the Northgate Core sub-area. Funds received from properties outside of the Northgate Core sub-area shall be applied to

open space acquisition or improvements within one-half (1/2) mile of contributing sites.

- B. Open Space Development Standards.
- 1. Landscaped Open Space.
- a. Landscaped open space shall be provided outdoors in the ground or in permanently installed beds, planters, or in large containers which cannot be readily removed.

b. Landscaped open space shall have a minimum horizontal dimension of six feet (6'), except on lots which are ten thousand (10,000) square feet or less in area, where a minimum horizontal dimension of five feet (5') is allowed. Where screening and landscaping of a surface parking area is counted towards meeting the landscaped open space requirement it shall meet the minimum dimensions as required by the underlying zone.

2. Usable Open Space -- General.

a. Usable open space shall be open to the public. The minimum size of usable open space is prescribed in Table 23.71.014 A. The Director may modify the requirements of Section 23.71.014 C, if the owner demonstrates that meeting the requirements is infeasible or the Director determines that the owner's proposal will better achieve the purpose of

usable open space than the requirements prescribed herein.

- b. Usable open space shall be located within three feet (3') of the elevation of abutting sidewalks, provide access of at least ten feet (10') in width and provide barrier-free access according to the Washington State Rules and Regulations for Barrier-Free Design.
- c. Where proposed, skybridges shall provide a direct connection to the nearest usable open space at ground level. This connection shall be visible from the skybridge and shall be identified by signage at both entrances to the skybridge.
- 3. Usable Open Space -- Exterior.
- a. Usable open space may be provided as on-site exterior open space consisting of an active or passive park, courtyard, public meeting space, terrace, town square, urban garden, urban plaza, landscaped interior block pedestrian connection or urban trail.
- b. Exterior usable open space shall meet the minimum standards contained in subsection 23.71.014 C.
- c. Exterior usable open space shall be screened from streets and parking areas by landscaping, a fence or a wall, except along a major pedestrian street, in which case usable open space shall be accessible to or integrated into the adjoining sidewalk for at least fifty percent (50%) of its frontage.
- 4. Usable Open Space -- Interior.
- a. Usable open space may be provided as on-site interior open space consisting of an atrium/greenhouse, galleria, or public meeting space.
- b. Interior usable open space shall provide direct pedestrian connections, with a clear path at least ten feet (10') wide, to exterior usable open space or public right-of-way.

Such pedestrian connections shall not count toward interior usable open space requirements.

- c. Interior usable open space shall meet the applicable standards contained in subsection 23.71.014 C.
- C. Minimum Standards for Usable Open Space.

Table 23.71.014 A

Minimum Square Footage Requirements For Usable Open Space

	Minimum Width	Minimum Area
Active park Atrium/greenhouse	80' 40'	11,000 square feet 2,000 square feet
Courtyard	30'	2,000 square feet
Galleria	20'	2,000 square feet
Landscaped interior- block pedestrian		
	** 10'	no minimum area
Passive park	100'	22,000 square feet
Public meeting space	30'	1,500 square feet
Terrace	10'	800 square feet
Town square	80'	11,000 square feet
Urban garden	10'	no minimum area
Urban plaza	50'	3,500 square feet

- 1. Active Park. An active park shall be essentially level, accessible from a public right-of-way and shall include areas for active recreation such as, but not limited to, ball fields, courts and children's play area(s). Public seating shall be provided.
- 2. Atrium/Greenhouse, Galleria. An atrium/greenhouse or galleria shall provide a large, enclosed, weather-protected space, generally covered by transparent and/or translucent material and meeting the following minimum standards and guidelines:
- a. Location and Access. The location of an atrium/greenhouse or galleria shall be highly visible from the street and easily accessible to pedestrians. Pedestrian access should be designed to improve overall pedestrian circulation on the block.
- b. Minimum Standards.
- i. The minimum height shall be thirty feet (30').
- ii. A minimum of fifteen percent (15%) of an atrium/greenhouse or galleria shall be landscaped.
- iii. A minimum of fifteen percent (15%) of an atrium/greenhouse or galleria shall be reserved for public seating at a rate of one lineal foot for every thirty (30) square feet of floor area or one lineal foot of public seating area for every thirty (30) square feet of floor area.

- iv. A minimum of thirty-five percent (35%) of the perimeter of an atrium/greenhouse or galleria shall be occupied by retail sales and service uses and sixty percent (60%) of every retail frontage on the atrium/greenhouse or galleria shall be transparent.
- v. Perimeter walls of an atrium/greenhouse or galleria, excluding the wall of the structure, shall be no more than fifteen percent (15%) blank. All nontransparent perimeter walls shall include measures to reduce the effect of the blank wall including, but not limited to, architectural detailing, landscaping, modulation or art.
- 3. Courtyard. A courtyard shall meet the following minimum standards and guidelines:
- a. Location and Access. A courtyard shall be adjacent to or attached to a structure or public sidewalk and shall be highly visible from adjacent sidewalks and public areas and have direct access to the streets on which it fronts. A courtyard shall be easily accessible and inviting to
- pedestrians and provide enclosure through use of design elements such as pedestrian walkways, structures containing retail uses, low planters or benches, and seating.
- b. Fifty percent (50%) of the courtyard area, outside of areas of major pedestrian traffic, shall be level.
- c. Courtyards shall include unit paving; landscaping, which encourages privacy and quiet; and pedestrian-scaled lighting and seating. Public seating shall be provided at a rate of one lineal foot of seating for every fifty (50) square feet of courtyard area
- 4. Passive Park. Passive parks shall provide landscaped space for unstructured recreational activity such as walking or picnicking.
- 5. Public Meeting Space. Public meeting spaces shall be enclosed rooms available for use by the public free of charge, designed for the purposes of accommodating meetings, gatherings, or performances with seating capacity for at least fifty (50) people. Public meeting spaces shall
- be available to the public between the hours of ten a.m. (10:00 a.m.) and ten p.m. (10:00 p.m.) Monday through Friday and shall not count towards minimum parking requirements.
- 6. Terrace. A terrace is intended to provide additional opportunity for open space in areas of concentrated development.
- a. Location and Access.
- i. A terrace is a wind-sheltered area above street-level uses in a structure.
- ii. A terrace should be easily accessible from the street and access should be plainly identified.
- iii. Direct access by stairs, ramps or mechanical assist shall be provided from a public right-of-way or public open space to the terrace.
- iv. The path of access must have a minimum width of ten feet (10').
- b. A minimum of eighty percent (80%) of the terrace shall receive solar exposure from eleven a.m. (11:00 a.m.) until two p.m. (2:00 p.m.) PDT between the spring and autumn equinox.
- c. Public <u>seating</u> shall be provided in an amount equal to one (1) seat for each thirty (30) square feet of terrace area or one lineal foot of public seating for each thirty (30) square feet of terrace area.

- d. Terraces shall be landscaped in a manner which provides for the comfort and enjoyment of people in the space as well as creates a visual amenity for pedestrians and occupants of surrounding buildings.
- e. A terrace shall be open to the public from at least seven a.m. (7:00 a.m.) until one (1) hour after sunset seven (7) days a week.
- 7. Town Square. A town square shall meet the criteria for an urban plaza and in addition, shall meet the following:
- a. Location and Access. A town square shall be located adjacent to a major pedestrian street.
- b. A large, essentially level, unobstructed area should characterize the center of a town square and be available for public events.
- 8. Urban Garden. Urban gardens are intended to provide color and visual interest to pedestrians and motorists and are characterized by such amenities as specialized landscaping, paving materials and public seating.
- a. Location and Access. Urban gardens shall be located at or near sidewalk grade and adjacent to a public right-of-way or building lobby.
- b. One (1) public seating space for each twenty (20) square feet of garden area or one (1) lineal foot of public seating for every twenty (20) square feet of garden area shall be provided.
- c. Urban gardens shall be developed with unit paving and plant materials in a garden-like setting. Landscaping shall include a mix of seasonal and permanent plantings, including trees and shrubs. A water feature is encouraged.
- d. A minimum of seventy-five percent (75%) of the garden area shall receive solar exposure from eleven a.m. (11:00 a.m.) until two p.m. (2:00 p.m.) PDT, between the spring and autumn equinox.
- e. The garden shall be open to the public at least five (5) days a week from eight a.m. (8:00 a.m.) until seven p.m. (7:00 p.m.).
- 9. Urban Plaza. An urban plaza shall serve as a link between a building and the pedestrian network and/or as a focal point between two (2) or more buildings.
- a. Location and Access.
- i. An urban plaza shall be one (1) contiguous space, with at least one (1) edge abutting a street at a transit stop or anywhere along a major pedestrian street.
- ii. The area within ten feet (10') of the sidewalk, along a minimum of fifty percent (50%) of each street frontage shall be within three feet (3') elevation of the adjoining public sidewalk.
- b. There shall be no physical obstruction between an urban plaza and the sidewalk. The plaza should be distinguished from the public right-of-way by landscaping and/or a change in paving materials.
- c. The aggregate area of retail kiosks and carts in an urban plaza should not exceed one hundred fifty (150) square feet or one percent (1%) of the total area of the plaza, whichever is greater.
- d. Urban plazas shall have retail sales and service uses on frontage equivalent to at least fifty percent (50%) of the perimeter of the plaza. The retail sales and service uses shall have direct access onto the plaza.

- e. Urban plazas shall be landscaped and paved in such a way as to provide continuous access to the public right-of-way. A minimum of twenty percent (20%) and a maximum of thirty percent (30%) of the plaza shall be landscaped.
- f. A minimum ratio of one (1) tree per seven hundred (700) square feet of plaza area is required. Trees should be arranged in such a manner as to define the perimeter of the space and to maximize solar exposure to the principal space.
- g. A minimum of eighty-five percent (85%) of the plaza shall be uncovered and open to the sky, excluding deciduous tree canopies.
- h. There shall be one (1) lineal foot of public seating area or one (1) public seat for every thirty-five (35) square feet of plaza area. Up to fifty percent (50%) of the seating may be moveable.
- i. An urban plaza shall be open to the public during normal business hours, seven (7) days a week.
- D. Reduction of Open Space Deficit. When substantial development is proposed for a site, the open space deficit for the entire site must be eliminated, provided that for sites subject to the General Development Plan provisions of Section 23.71.020, the deficit need not be eliminated

but shall be reduced by an amount equal to fifty percent (50%) of the footprint of the substantial development together with fifty percent (50%) of the total footprint of any new parking area provided to meet the demand of the substantial development, together with fifty percent

(50%) of any replacement parking provided.

Section 23.71.020 of the Seattle Municipal Code is repealed.

SMC 23.71.020 General Development Plan requirement.

- A. On sites of six (6) acres or more the owner shall submit and obtain approval of a General Development Plan when one (1) or more of the conditions identified in subsection C of this section is met.
- B. For the purposes of this section a "site" is all contiguous parcels of property, including parcels separated only by rights-of- way, which are under common ownership, or under the ownership of several individuals or entities who have agreed to common management of all or a portion of the parcels.
- C. A General Development Plan shall be prepared when one (1) or more of the following occurs:
- 1. Development of more than four thousand (4,000) square feet of commercial floor area, or redevelopment of more than four thousand (4,000) square feet of commercial floor area, if the redevelopment includes a change of use; and/or
- 2. Creation of parking facilities for over forty (40) vehicle spaces; and/or
- 3. Rezone applications; and/or
- 4. Conditional use applications; and/or
- 5. Requests for variance(s) from the requirements of this chapter.
- D. The General Development Plan shall be reviewed by the Director as a Type II master use permit decision, as provided in Chapter 23.76, Procedures For Master Use Permits and Council Land Use Decisions.
- E. A General Development Plan is not required for that portion of a site for which a Major Institution Master Plan is required pursuant to Chapter 23.69.

Section 23.71.024 of the Seattle Municipal Code is repealed.

SMC 23.71.024 Contents of a General Development Plan.

- A. The General Development Plan is a conceptual plan for site development consisting of the following eight (8) components:
- 1. The structure layout component shall include the following:
- a. The general location of structures and areas of pedestrian and vehicular circulation;
- b. Proposed lot coverage, floor area, height and uses anticipated in the structures; and
- c. Three (3) dimensional drawings illustrating the height and form of proposed structures.
- 2. The pedestrian circulation component shall include the following:
- a. The location of pedestrian routes providing access to all structures on the site, and an identification of pedestrian connections with adjacent areas; and
- b. The location of a clearly marked landscaped pedestrian walkway from all structures to the nearest public sidewalk served by public transit.
- 3. The vehicular circulation component shall include the following:
- a. Vehicular, bicycle, and service access to the site from abutting streets, as well as proposed internal site circulation; and
- b. A description of any planned or anticipated street or alley vacations or the abandonment of existing street rights-of-way.
- 4. The parking and loading component shall include the location, type (surface or within a structure), and amount of parking and loading to meet parking and loading requirements.
- 5. The transportation management component shall be consistent with the requirements of Section 23.71.018.
- 6. The landscaping and open space component shall include the following:
- a. The location and size of open space areas intended for public use;
- b. A general plan indicating the amount, location and type of landscaping to be provided; and
- c. A discussion of whether and how off-site open space payments, prescribed by Section 23.71.014, will be met.

- 7. The phasing component shall include a description of proposed development phases and plans, including development priorities, the probable sequence of development, estimated dates of construction and occupancy, and anticipated interim use of property awaiting development.
- 8. The topography and drainage component shall include the following:
- a. Plans showing the proposed finished grades, drainage patterns, swales, creeks, retention ponds, and wetlands; and
- b. The location and description of filtration devices for oil/water separation.

Section 23.71.026 of the Seattle Municipal Code is repealed.

SMC 23.71.026 Exceptions granted through the General Development Plan process.

- A. To meet the intent of the Northgate Area Comprehensive Plan, the Director may authorize specified exceptions to the requirements of the Land Use Code in approving a General Development Plan, as specified below. An exception shall result in a better design solution given specific site conditions than would otherwise be possible through strict adherence to applicable development standards.
- B. Approval of a General Development Plan may include granting of the following exceptions:
- 1. The DCLU Director may waive or modify provisions of the Land Use Code for mixed use development as follows:
- a. Reductions may be permitted to the minimum amount of nonresidential use required in SMC Section 23.47.008, Mixed use structures.
- b. For mixed use development in separate structures, as provided for in Section 23.71.038, the residential and nonresidential structures may be constructed at different times, provided that the phasing of the nonresidential portions of the development is specified in the General Development Plan.
- 2. To grant exceptions to the standards for mixed use development as specified in subsection B1 of this section, an applicant must demonstrate that the project meets the following criteria:
- a. The project reinforces or creates pedestrian connections through the site and to the closest transit streets.
- b. The project is locating multifamily development within six hundred sixty (660) feet (one-eighth (1/8) mile) of a street served by transit.
- c. Sufficient commercial development exists in the immediate vicinity to maintain an active pedestrian environment with uses serving the local population.
- 3. Modification of Land Use Code requirements for screening and landscaping at the street property line, as provided in Section 23.47.016, may be permitted under the following conditions:
- a. The objective of the screening and landscaping is met by a topographic break that makes the screening unnecessary.
- b. A portion of the property's usable open space requirement is placed adjacent to the street, eliminating the need for screening and landscaping.
- c. The Director determines that a proposed solution better meets the intent of the screening and landscaping requirements or there is no need for screening and landscaping on the site.

- 4. Exceptions may be granted to the provisions for parking location and access contained in subsections G2 and G3 of Section 23.71.016. An applicant must demonstrate that the project meets the following criteria:
- a. The total number of parking spaces on a site does not exceed one hundred seventy-five (175) percent of the minimum Land Use Code requirement.
- b. Clearly designated pedestrian walkways are provided between parking areas and buildings. Ten (10) foot wide landscaped pedestrian walkways must be adjacent to any parking area containing two hundred fifty (250) spaces. Two (2) adjacent parking areas of two hundred fifty (250) parking spaces each, may share a walkway.
- 5. Modifications may be granted to the requirements for sidewalk widths, provided that this exception shall not be granted for sidewalks along pedestrian designated streets. An exception may be granted under the following conditions:
- a. Topographic breaks would separate the sidewalk from the site.
- b. Topographic breaks would make the costs of increasing the sidewalk widths disproportionate to the benefits derived.
- c. An alternate pedestrian route would better serve pedestrian circulation needs.

Section 23.71.028 of the Seattle Municipal Code is repealed.

SMC 23.71.028 General Development Plan process.

- A. To obtain approval, a General Development Plan must be consistent with the Northgate Comprehensive Plan and the provisions of this chapter.
- B. An Advisory Committee to the Director shall be established by the Director for each general development plan required. The composition of the committee shall be a balanced group representing all interests including the applicant, neighborhoods, the business community, and property owners, except that the applicant's representative shall not participate in a vote on the

recommendation to the Director, as described in subsection B2below. The Advisory Committee shall perform the following functions:

- 1. Review the contents of a draft general development plan; and
- 2. Within a time period established by the Director, recommend to the Director any suggested changes or additions to the draft general development plan.

Section 23.71.029 of the Seattle Municipal Code is repealed.

SMC 23.71.029 Effect of General Development Plan approval.

- A. After a General Development Plan has been approved, the applicant may develop in accordance with the approved plan.
- B. The Director shall not accept any application for nor issue any master use permit for development which has not been included in the approved General Development Plan or which is inconsistent with an approved General Development Plan.
- C. Applications for master use permits for development contained in an approved General Development Plan are subject to the requirements of Chapter 25.05, SEPA Policies and Procedures.

Section 23.71.038 of the Seattle Municipal Code is amended as follows:

SMC 23.71.038 Standards for mixed use development in commercial zones within the Northgate Overlay District.

Residential and nonresidential uses in a mixed use development in a commercial zone shall meet the requirements of Section 23.47.008 to qualify as a mixed use development. ((The minimum standards of Section 23.47.008 may vary on sites subject to the requirements for General Development Plans as provided in Section 23.71.026.))

Section 23.71.044 of the Seattle Municipal Code is hereby amended as follows:

* * *

B. Single-purpose residential structures are prohibited in all commercial zones with a height limit of eighty-five (85) feet or greater. ((, except as provided in Section 23.71.026 B for phased mixed use development under a General Development Plan.))

Exhibit 23.76.004A of Section 23.76.004 of the Seattle Municipal Code is amended as follows:

EXHIBIT 23.76.004 A LAND USE DECISION FRAMEWORK

DIRECTOR'S AND HEARING EXAMINER'S DECISIONS REQUIRING MASTER USE PERMITS

TYPE I Director's Decision (No Administrative Appeal)	Type II Director's Decision (Appealable to Hearing Examiner*)	Type III Hearing Examiner's Decision (No Administrative Appeal)
 Compliance with development standards Uses permitted outright Temporary uses, four weeks or less 	 Temporary uses, more than four weeks Variances Administrative conditional uses 	Subdivisions (preliminary plats)
Certain street usesLot boundary adjustments	• Shoreline decisions (*appealable to Shorelines Hearings Board along with all related environmental appeals)	
• Modifications of features bonused under Title 24	Short subdivisions	
Determinations of significance (EIS required) except for determinations of	Special ExceptionsDesign review	
significance based solely on historic and cultural preservation Temporary uses, twelve months or less, for releastion of police and	• ((Northgate General Development Plans))	
relocation of police and fire protection		

EXHIBIT 23.76.004 A LAND USE DECISION FRAMEWORK

DIRECTOR'S AND HEARING EXAMINER'S DECISIONS REQUIRING MASTER USE PERMITS CONTINUED

Exemptions from right- of-way improvement requirements	Light rail transit facilities		
of-way improvement	 The following environmental determinations: Determination of nonsignificance (EIS not required) Determination of final EIS adequacy Determinations of significance based solely on historic and cultural preservation A decision by the Director to approve, condition or deny a project based on SEPA Policies A decision by the Director that a project is consistent with a Planned Action 		
	Ordinance and EIS (no threshold		
	determination or		
	EIS required)		
	Major Phased		
	Development		

COUNCIL LAND USE DECISIONS

TYPE IV	TYPE V
(Quasi –Judicial)	(Legislative)
 Land use map amendments (rezones) Public project approvals Major Institution Master Plans Council conditional uses Downtown planned community development 	 Land Use Code text amendments Rezones to implement new City Policies Concept approval for City facilities Major Institution designations Waive or modify development standards for City facilities Planned Action Ordinance

Section 23.76.006 of the Seattle Municipal Code is hereby amended as follows:

SMC 23.76.006 Master Use Permits required.

* * *

C. The following are Type II decisions:

* * *

((h. Northgate General Development Plan;))

Exhibit 4: 5th Avenue Entrance Conceptual Illustration



